

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

RICHARD THEIS, Derivatively on Behalf of
Nominal Defendant 2U, INC.,

Plaintiff,

v.

CHRISTOPHER J. PAUCEK, CATHERINE A.
GRAHAM, PAUL A. MAEDER, ROBERT M.
STAVIS, GREGORY K. PETERS, TIMOTHY M.
HALEY, VALERIE B. JARRETT, EARL LEWIS,
CORETHA M. RUSHING, SALLIE L.
KRAWCHECK, JOHN M. LARSON, EDWARD S.
MACIAS, and ALEXIS MAYBANK,

Defendants,

and

2U, INC.,

Nominal Defendant.

The Court hereby adopts
the parties' Proposed
Order. All deadlines are
hereby stayed until
September 23, 2022.

Case No. 1:20-cv-03360-PAC

**STIPULATION AND [PROPOSED] ORDER REGARDING
EXTENSION OF COURT'S ORDER STAYING CASE**

Plaintiff Richard Theis (“Plaintiff”), derivatively on behalf of nominal defendant 2U, Inc. (“2U”), and defendants Christopher J. Paucek, Catherine A. Graham, Paul A. Maeder, Robert M. Stavis, Gregory K. Peters, Timothy M. Haley, Valerie B. Jarrett, Earl Lewis, Coretha M. Rushing, Sallie L. Krawcheck, John M. Larson, Edward S. Macias, and Alexis Maybank (collectively the “Individual Defendants” and, together with 2U and the Plaintiff, the “Parties”) jointly submit this Stipulation to extend the stay of this action for forty-five (45) days, and in support thereof state as follows:

WHEREAS, on April 30, 2020, Plaintiff filed this putative stockholder derivative action (the “Action”) on behalf of 2U asserting claims for breach of fiduciary duty, insider sales and misappropriation of information, unjust enrichment, and violations of Section 14(a) of the Securities Exchange Act of 1934 against the Individual Defendants;

WHEREAS, on July 22, 2020, the Court entered an order that temporarily stayed the proceedings in this Action until final resolution of the motion to dismiss in the Securities Class Action (Dkt. No. 7, the “Stay Order”)¹;

WHEREAS, pursuant to the Stay Order, Plaintiff in this Action is required to file an amended complaint or designate an operative complaint sixty (60) days after the stay is lifted;

WHEREAS, on August 5, 2021, the motion to dismiss in the Securities Class Action was denied, lifting the temporary stay in this Action;

WHEREAS, on October 5, 2021, the Court granted the Parties’ request to stay the Action for thirty (30) days to allow the Parties to this Action to engage in discussions regarding a possible mediation of this Action, the related Securities Class Action, and two related shareholder derivative actions pending in other jurisdictions (Dkt. No. 18);

WHEREAS, on November 9, 2021, the Court granted the Parties’ request to extend the stay of the Action for sixty (60) days to continue to work in good faith to discuss and work to schedule the potential mediation (Dkt. No. 20);

WHEREAS, on January 5, 2022, the Court granted the Parties’ request to extend the stay of the Action for sixty (60) days to continue to work in good faith to discuss and work to schedule the potential mediation (Dkt. No. 22);

¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Stay Order.

WHEREAS, on March 8, 2022, the Court granted the Parties' request to extend the stay of the Derivative Action for sixty (60) days to continue to work in good faith to facilitate the Parties' discussions regarding the mediation (Dkt. No. 24);

WHEREAS, the relevant parties to the Securities Class Action informed the court on April 29, 2022 that they had reached an agreement to resolve the Securities Class Action and that they anticipated filing formal documentation of the settlement in the coming weeks;

WHEREAS, on May 11, 2022, the Court granted the Parties' request to extend the stay of the Action for thirty (30) days to continue to work in good faith to facilitate the Parties' discussions regarding the mediation (Dkt. No. 29);

WHEREAS, the court on June 23, 2022 entered an order in the Securities Class Action preliminarily approving the settlement agreement in that matter;

WHEREAS, on July 13, 2022, the Court granted the Parties' Stipulation lifting the stay of the Action and adopting a briefing schedule for the Action (Dkt. No. 31); and

WHEREAS, the Parties have made progress on settlement negotiations and believe the administration of justice is best served by staying the Action for forty-five (45) days to allow the Parties to continue to work in good faith to facilitate the Parties' settlement discussions.

NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among the Parties hereto, through their undersigned counsel, subject to the Court's approval, as follows:

1. The proceedings in this Action, including all deadlines, hearings, and conferences, are temporarily stayed until forty-five (45) days from the entry of this order.
2. Prior to the conclusion of the stay, the Parties will inform the Court of their progress with regard to the settlement discussions or if those discussions have stalled, and if appropriate propose a new briefing schedule for any motion to dismiss the operative complaint.

3. By entering into this Stipulation, the Parties do not waive any rights not specifically addressed herein. This Stipulation is without prejudice to the right of any Defendant to raise any argument or defense of any kind concerning any of the claims in this Action. By entering into this Stipulation, each Defendant preserves all objections, arguments, defenses, and challenges of any kind to the claims in this Action.

Date: August 8, 2022

Respectfully submitted,

/s/ J. Christian Word

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Attorneys for Defendants

IT IS SO ORDERED

DATED: August 9, 2022

/s/ W. Scott Holleman

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Attorney for Plaintiff



HONORABLE PAUL A. CROTTY
UNITED STATES DISTRICT JUDGE